

Electricity Authority Te Mana Hiko
PO Box 10041
Wellington 6143

Via email: consumer.mobility@ea.govt.nz

12 November 2025

To whom it may concern,

Thank you for the opportunity to provide feedback on the Authority's consultation on improving electricity billing in New Zealand. We support the Authority's efforts to improve the electricity market for consumers.

The proposed changes to prevent excessive back-billing and requiring retailers to review consumers' plans to ensure they are on the best plan will make a meaningful difference to consumers and we encourage the Authority to implement them as soon as possible.

However, we do not believe that changing bill formats or adding additional information to bills will deliver much to consumers. Instead, we propose accelerating the Consumer Data Right programme, ahead of any CDR legislation.

Enabling trusted comparison sites like Powerswitch and the EA's upcoming Billy site to use consumers' half hour data to provide an accurate view of the best plans in market for them is much more forward-thinking and will deliver real benefit to consumers. It also makes these sites a more useful tool for budget advisory and other support services when working with their clients.

Please see our responses to questions in the below table.

Kind regards,

Steve Young

Head of Data and Industry Operations

| Questions | Comments |
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| Proposal A – Standardise billing information | <p>Q1. Should minimum billing standards be compulsory or voluntary?</p> <p>We agree that clear and consistent billing is important. The majority of retailer bills in New Zealand are in a clear and consistent form.</p> <p>Rather than strictly regulating a standard form we think it is worth considering alternative actions first:</p> <ol style="list-style-type: none"> 1) Requesting the Commerce Commission to use their FTA and CGA enforcement powers for unclear billing as there is a case that this is misleading conduct falling short of general consumer protection standards; and 2) Accelerate work on the Consumer Data Right; allowing access to half hour data would allow consumers to check the accuracy of their bills and identify the best offers in market for them with much less effort than currently required. Even if bills are standardised it will still be laborious to compare plans as this will require half hour data. <p>Consistent billing is in the interests of the retailer even more than the consumer. If a retailer has bills that customers cannot understand, they will end up spending massive amounts of time explaining bills and dealing with complaints. The majority of bills in the New Zealand market are already relatively clearly laid out.</p> |
| <p>Q2. Would the Authority providing a model bill and guidelines reduce your implementation costs and the time needed to implement these changes?</p> | <p>We would suggest that developing an example of an improved bill would be a key part of the process. It could highlight any perceived shortfalls in current participants' bills, be used for testing with consumers, and shared with consumer advocacy groups for feedback.</p> <p>This would enable the Authority to demonstrate how their proposed changes will materially improve consumer outcomes.</p> <p>Whether it would reduce implementation costs or time depends entirely upon the format of the bill and how easily we could accommodate that within our systems.</p> <p>It will be incredibly challenging to create a single bill format that works for all retailers and all pricing models.</p> |
| <p>Q3. Tiered layout – Do you support adopting a two-tiered approach to information on bills? If not, how should critical and important information be distinguished?</p> | <p>Yes, we largely support two tiers. However, we have significant concerns about the amount and type of information the Authority is suggesting including in Tier 2.</p> |

| Questions | Comments |
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| <p>Q4. Content requirements – Do you have any additions or removals to the proposed tier one and tier two content lists?</p> | <p>Including all the plan summary information, especially for time of use plans, and other conditions will be unwieldy and take up a lot of real estate on the bill. This information is readily available on our website and the time of use hours, in particular, are generally well understood by our customers.</p> <p>Information such as contract end dates or break fees should only be required if they apply to the plan.</p> <p>We offer time of use pricing, as a result we bill off half hour consumption reads not the start/end accumulation reads and so we do not show the start/end reads on bills. In order for consumers to check their bill is accurate we make half hour data available in the web portal. Replicating this in a bill would be unwieldy for the consumer. Adding the start and end accumulation reads would not allow the customer to verify the billed amount is accurate. Adding accumulation reads in this context would be superfluous.</p> <p>We bundle the EA Levy into the per kWh unit price and we do not believe that splitting out this fraction of a cent component of the rate benefits consumers in any way.</p> <p>We do not think that including average daily, monthly and annual kWh figures (especially for time of use schemes) is useful on a static document like a bill. This information is available on our digital channels where the consumer can move back and forth between periods and change date ranges and, if they find a period with unexpected values, they can drill down into individual periods within days to investigate.</p> <p>The additional support information is also available on our digital channels and is provided during any interactions where the consumer is indicating hardship or vulnerability. Putting this on every bill for the relatively few customers who need it seems excessive.</p> <p>The Authority is proposing a very extensive list of information here. This risks making bills more complicated for consumers.</p> |
| <p>Q5. Implementation – For retailers, how much time would be needed for your organisation to incorporate this content across all billing channels? What challenges or dependencies (e.g. data collection, data standards, IT systems or staff training) need to be factored into timing?</p> | <p>Unknown - but likely several months.</p> <p>This will really depend on how much of the detailed information is included... but, regardless, it will require developers and will take away from other work (most of which is aimed at improving what we offer our customers).</p> |

| Questions | Comments |
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| <p>Q6. Future-proofing – What mechanisms would best ensure these standards to evolve with new technologies, plans and AI-enabled billing in future?</p> | <p>We strongly support accelerating the Consumer Data Right (CDR) for electricity, as this will enable the most effective tools for consumers to compare plans and understand their energy costs.</p> <p>This consultation's focus on improving bill layout is not a future-proof solution. Bills are merely backward-looking statements of past costs. They are fundamentally unsuitable for accurate comparison, especially between plans with different structures like time-of-use hours, free periods, or seasonal rates.</p> <p>Even for consumers who rely on paper bills, layout changes will not help them compare plans. To find their best option, they will still need to access their detailed half-hour usage data and research alternatives online or by phone.</p> <p>The future of energy comparison is about data, not bill design.</p> <p>We urge the Authority to focus on leveling the playing field by ensuring all consumers can access and use their own data. Rather than spending money (which consumers ultimately pay) on bill redesigns, the Authority should fast-track a CDR prototype.</p> <p>This would enable comparison sites, like Powerswitch and the Authority's new tool, to use a consumer's actual usage data. This is the only way to provide an accurate, fact-based assessment of their best options, removing the assumptions and guesswork inherent in comparing static bills. This data-driven approach is true future-proofing.</p> <p>This is future-proofing - it removes all the assumptions and guesswork that is inherent when trying to compare a blunt instrument like a bill with another retailer's plans and instead presents consumers with an accurate assessment based on facts.</p> |
| <p>Proposal B – Introduce better plan</p> | |
| <p>Q7. Do you agree with the proposed better plan review mechanism?</p> | <p>Largely, yes. We run “right planning” several times a year. We also check customers’ plans as a matter of course in the case of hardship.</p> |
| <p>Q8. Is six months the right frequency for a better plan review?</p> | <p>If there is a requirement for a better plan review then an annual review for evergreen (no fixed term) plans would be sufficient - ideally it could be included in the mandated annual check in communication.</p> <p>If the customer has signed up to a term plan, where there is fair benefit to both parties (e.g. our 5 year Zero Bills plan or a small</p> |

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| | <p>commercial 2 year fixed energy price agreement) an annual review should not be required.</p> <p>We review plans every six months but we're considering total annual consumption. Any requirement should be an assessment of what plan delivers value over a full 12 month period to account for seasonality of usage and to avoid selective 'gaming' of right planning.</p> <p>For example - with the current Low User vs Standard User plan framework - looking across the full 12 months, one plan will be the best value for a given consumer. However, if we look at a six monthly view, it would be cheapest for many customers to be on a Low User plan in summer and at Standard User plan in winter.</p> <p>Having consumers flip between the two seasonally would be a nightmare to manage and would impact cost recovery.</p> <p>The retailer should also consider timings when offering new plans to consumers. For example, if you are suggesting a customer move to a plan with a higher daily charge and lower variable rates it might be better to offer them that in autumn rather than when heading into summer.</p> |
| Q9. Is three months an appropriate time frame for time-of-use trials? If not, what period would you suggest? | <p>We don't think it's necessary to require a time of use tariff trial. The appropriate trial period needs to be balanced based on consumer needs and retailer cost recovery.</p> <p>For example, changing to time of use going into winter might increase a consumer's bill for the first three months but lower it overall across the full twelve months.</p> <p>Additionally if a customer can 'trial' multiple plans it may be unsustainable for retailers so it would be reasonable to put a limit on the number of 'trials' per annum.</p> |
| Q10. Do you have any feedback on the risk-free time of use proposal, requirement to inform customers whether they are saving on a time-of-use plan and type of guidance given on how to shift consumption? | <p>We only offer Time of Use plans. Our concern is the potential for additional overhead and underrecovery of costs from the scenarios outlined in Q8 and Q9.</p> <p>Our pricing is averaged across the year, so if consumers are able to swap "risk free" between plans every quarter they could theoretically get prices that are too low to be sustainable.</p> <p>If this becomes an issue it would likely necessitate seasonal pricing which will be more complicated for both retailers and consumers.</p> <p>As mentioned above it would be reasonable to limit the number of 'trials' annually if the EA chooses to proceed with this option.</p> |
| Q11. Do you support prohibiting termination fees when switching between plans with the same retailer? | <p>In most cases we support this.</p> <p>Genuine cost recovery should be allowed, for example, where a SME customer (e.g a farm with irrigation using 35,000kWh p.a.)</p> |

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| | <p>has signed up to a term plan (possibly for several years), the retailer has put hedge cover in place, and now the customer wishes to change.</p> <p>In instances like this, where a consumer has knowingly entered into a term agreement with fair benefit to both parties, it is reasonable for the retailer to recover the costs of changes.</p> <p>This would be similar to other services (e.g. term loans, etc.) where forward provisions need to be made. It is critical that these terms are clear and stated upfront.</p> |
| <p>Q12. For retailers, what costs do you anticipate in implementing this change and what implementation support would reduce such costs?</p> | <p>As mentioned in Q7, we already do this several times every year, so there would be no additional cost for us, unless we were required to communicate the outcome every time.</p> <p>We suggest that we are only required to communicate annually and that this communication can be incorporated with other annual messages for customers on the best option already.</p> <p>For them a “we’ve checked and you’re on the best plan” should be sufficient. There are already a lot of emails going out, so avoiding extra noise would be good for all parties.</p> |
| <p>Q13. Do you agree with our proposed transitional arrangements? If not, how would you change them?</p> | <p>Yes</p> |
| <p>Proposal C – Encourage consumers to compare plans across all retailers and switch where it will save them money</p> | |
| <p>Q14. Do you agree with the proposed wording of the prompt?</p> | <p>Most of it is ok - but you should drop “The Electricity Authority requires us to include this information” from the prompt. This adds no value to consumers. The more words there are, the less likely they’ll be read.</p> |
| <p>Q15. For retailers, what lead-in period would you need to implement this prompt across all channels?</p> | <p>1-2 months</p> |
| <p>Q16. Do you agree that each retailer should be required to maintain a catalogue to allow customers to compare their full range of plans and costs?</p> | <p>As discussed we think a better solution would be accelerating CDR.</p> <p>The sheer number of price categories and network combinations would make this unwieldy without some other tool for determining what tariff they are eligible for.</p> |

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| | <p>There are better ways of delivering this type of information to consumers. For example, our Octoshift tool allows customers (when logged into their account) to adjust their time of use splits on the various plans that are available to them and see the resulting cost changes.</p> <p>https://octopusenergy.nz/time-of-use</p> | | | | | | | | | | | | | | | | |
| Q17. For retailers, do you already have a catalogue in which you show your current and any prospective customers your generally available plans and tariffs? If not, why not? | <p>As mentioned in Q16, we don't believe a catalog would offer much value to consumers.</p> <p>Prospective customers are presented with all plans available to them on the sign-up pages of the website or when talking to our team about signing up.</p> <p>Additionally, our Octoshift tool allows customers (when logged into their account) to adjust their time of use splits on the various plans that are available to them and see the resulting cost changes.</p>  <p>The typical cost of electricity on your selected plan \$2,152 Total including GST</p> <p>The estimated cost of electricity on your selected plan \$2,054 Total including GST</p> <p>The average time-of-use split for Octopus customers in your area.</p> <p>The time-of-use split based on shifting your usage to different times.</p> <table border="1"> <caption>Time-of-use split for selected plan</caption> <thead> <tr> <th>Time-of-use</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Peak</td> <td>37.2%</td> </tr> <tr> <td>Off-peak</td> <td>30.9%</td> </tr> <tr> <td>Night</td> <td>31.9%</td> </tr> </tbody> </table> <table border="1"> <caption>Time-of-use split based on shifted usage</caption> <thead> <tr> <th>Time-of-use</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Peak</td> <td>22%</td> </tr> <tr> <td>Off-peak</td> <td>39%</td> </tr> <tr> <td>Night</td> <td>39%</td> </tr> </tbody> </table> | Time-of-use | Percentage | Peak | 37.2% | Off-peak | 30.9% | Night | 31.9% | Time-of-use | Percentage | Peak | 22% | Off-peak | 39% | Night | 39% |
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| Q18. Do you agree that the annual check-in should also include telling customers about the retailer's channels for comparing and accessing better plans? | <p>Yes - however we would like this to be quite light as the annual check-in already contains quite a lot of information. The best plan information could replace the current Low/Standard User information following its phase out.</p> <p>We suggest something along the lines of...</p> <p><u>Am I on the best plan?</u></p> <p><i>Each year we look to see if your plan is giving you the best value based on your electricity usage. If we think you could be better off on another of our plans, we'll let you know.</i></p> <p>To give consumers access to more information about how the "best plan" process works it would be better to have a link to a "best plan" page on the retailer's website than to try to pack it all into this email.</p> | | | | | | | | | | | | | | | | |

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| Q19. Do you agree that retailers should offer information about better plans whenever a customer contacts them about their bill or plan, not only when the customer explicitly asks to change plans? | <p>Within reason, yes.</p> <p>For example, if a customer contacts us and is asking questions about saving money or the size of the bill, it is logical to check if they are on the correct plan.</p> <p>However if they're asking about other elements of the bill, or payment dates, etc then going into better plans is probably a waste of everyone's time. Common sense should be applied, especially as we will be checking people on the best plan regularly anyway.</p> <p>Checking the plan should be mandatory when debt or hardship is involved. Our approach is that when customers are getting further into arrears or indicating hardship, we do a plan check - and, if it will reduce the amount owing, we can reverse and re-bill some previous months on a different plan.</p> |
| Proposal D – Limit back-billing to protect residential and small business consumers from bill shock | |
| Q20. Do you agree with this proposal to limit back-billing with justifiable exceptions? | Yes - the exceptions are important. Best efforts must be made by all parties. |
| Q21. Is a six-month cap reasonable? | Yes - as long as a pragmatic and fair approach is taken by all parties. |
| Q22. Do you agree that customers should be allowed to pay back bills in installments matching the period of the back bills? If not, what alternative do you propose? | Yes - and this is our current practice. |
| Q23. What additional proactive measures (beyond those listed) would best prevent back bills from accruing? | <p>As a half hour retailer the only way we end up with back-billing is from non-communicating meters or bridged meters.</p> <p>We have regular checks in place for ICPs that have not been billed for over a month. These are usually because of gaps in read data so we spend a lot of time chasing up MEPs to get reads.</p> <p>Improving the reliability of AMI meter communications will be a big help in preventing back-billing.</p> <p>Recently we have seen MEPs replacing reliably communicating One NZ modems with Spark modems in areas known to have Spark poor coverage - the meter literally stops communicating while the tech is onsite.</p> |

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| | <p>We understand that upgrades are on the way to remedy this but feel it should be a requirement for MEPs to maintain communications - even if it means having some modems with different providers until such time as they can transition to their preferred network without interrupting the flow of data.</p> |
| <p>Q24. For retailers, taking into account any operational requirements, is the proposed transition period sufficient to implement these obligations?</p> | <p>Yes</p> |
| <p>Next steps and proposed implementation</p> | |
| <p>Q25. Are these the right outcome measures to track success?</p> | <p>They are all good outcome measures. However, measure (a) will not deliver material benefit to consumers - unless we are expecting the consumer to do all the comparison work themselves.</p> <p>Compulsory best plan promotion and the proposed limits to back billing should make substantial improvements against all the other measures... and should give consumers confidence that they are on the best plan with their retailer.</p> <p>Rather than trying to pack bills with more information we should make usage data available for Powerswitch and the EA's new comparison site - then consumers know they're on the best plan with their retailer and can get a straight answer as to whether that's also the best plan for them in the market.</p> |
| <p>Q26. Do you agree with these implementation principles?</p> | <p>Largely yes. However, while we understand the sentiment of the Authority's comments that implementation costs should not be passed to consumers, if the Authority's decisions do result in significant costs we would struggle to absorb them.</p> |
| <p>Q27. How could we best support smaller retailers during the transition?</p> | |
| <p>Q28. Are there other interdependencies we should factor into the timetable?</p> | |
| <p>Q29. Do you agree with our preferred timing?</p> | |
| <p>Q30. If you prefer option 3, which elements should be delayed to 2027?</p> | |
| <p>Q31. How much lead time do you need to implement these</p> | |

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| proposals, should they proceed? | |
| Regulatory statement for the proposed amendment | |
| Q32. Do you agree with the objectives of the proposed amendment? | |
| Q33. Do you agree that the benefits of the proposed Code amendment outweigh its costs? | <p>The highest cost will likely be in any changes to bills. We do not believe that such changes will deliver significant benefits to consumers.</p> <p>Other than some possible improvements in clarity, the changes do nothing to enable true comparison between plans given the increasing prevalence of time of use pricing.</p> <p>The other elements of the proposal will deliver value and should be relatively low cost to implement.</p> |
| Q34. Do you have any feedback on these criteria for weighing options? | |
| Q35. Do you agree with our assessment of the four options presented? | |
| Q36. Do you agree with our proposal to introduce mandatory billing improvements, rather than voluntary guidelines? | |
| Q37. Which elements of standardisation (if any) could remain voluntary without undermining consumer outcomes? | |
| Q38. Do you agree with our proposed approach regarding small businesses? | Yes. |
| Q39. Do you agree with our assessment on alternatives to proposal B? | |
| Q40. Do you agree with our assessment on alternatives to proposal C? | |

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| Q41. Do you agree with our assessment on alternatives to proposal D? | |
| Q42. Do you agree the proposed amendment is preferable to the other options? If you disagree, please explain your preferred option in terms consistent with the Authority's statutory objectives in section 15 of the Electricity Industry Act 2010. | |
| Q43. Do you agree the proposals are overall better than the alternative considered? If you disagree, please explain your preferred option in terms consistent with the Authority's statutory objectives in section 15 of the Electricity Industry Act 2010. | |
| Proposed Code amendment | |
| Q44. Do you have any comments on the drafting of the proposed amendment? | |
| Q45. Do you have any comments on the transitional provisions? | |
| Q46. Do you have any other feedback on this consultation paper or proposed Code amendment? | |